

SECOND REGULAR SESSION

# SENATE BILL NO. 979

95TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR RUPP.

Read 1st time February 22, 2010, and ordered printed.

TERRY L. SPIELER, Secretary.

5161S.011

## AN ACT

To amend chapter 376, RSMo, by adding thereto one new section relating to the approval or disapproval of long-term care insurance rates by the director of the department of insurance, financial institutions and professional registration.

*Be it enacted by the General Assembly of the State of Missouri, as follows:*

Section A. Chapter 376, RSMo, is amended by adding thereto one new section, to be known as section 376.1110, to read as follows:

**376.1110. 1. No insurance company licensed to transact business in this state shall deliver or issue for delivery in this state any policy of long-term care insurance, unless the classification of risks and the premium rates pertaining to such policy have been filed with and approved by the director.**

**2. Rates for long-term care insurance shall not be excessive, inadequate, or unfairly discriminatory. In no event shall the rates charged to any group increase by more than fifteen percent during any annual period, unless the insurer can clearly document a material and significant change in the risk characteristics of the group. All rates for long-term care insurance shall be made in accordance with the following provisions and due consideration shall be given to:**

**(1) Past and prospective loss experience;**

**(2) Past and prospective expenses;**

**(3) Adequate contingency reserves; and**

**(4) All other relevant factors within and without the state.**

**3. The director shall approve or disapprove a rate filing within forty-five days after the filing and submission thereof. The failure of the director to take action approving or disapproving a submitted rate filing within the stipulated time shall be deemed an approval thereof**

21 until such time as the director shall notify the submitting company of  
22 his or her disapproval thereof. If a rate filing is disapproved, the  
23 reasons therefor shall be stated in writing. Any notice of disapproval  
24 shall state that a hearing shall be granted, if so requested.

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